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THE RESOURCES AND DEVELOPMENT OF THE SOUTH.

BY THE HON. HOKE SMITH, SECRETARY OF THE INTERIOR.

IF you wish to interest the people of the South to-day, talk to them of the resources and development of their section. Once they enjoyed more the eloquent words of the political orator, but now the plain business presentation of questions connected with material growth finds the most attentive listeners.

The manner in which the Southern States have stood the financial trials of the past eighteen months has directed to them general attention. It has caused careful consideration of the conditions of the section, both by the press and by investors. What progress will the South make in the near future upon the lines of material growth? This question is one which interests all portions of the Union. Careful investigation will cause the answer to be most encouraging to those now already dwelling in that section, and most advantageous to people outside of it.

To properly understand the possibilities of the South, its past, as well as its present, must be considered. Nature has favored it with a climate pleasant in winter, and not oppressive in summer; with a vast expanse of territory suited to every variety of agricultural pursuit; with limitless undeveloped wealth, with ample iron, coal, and lumber, alongside of cotton-fields. It is true that other sections have outstripped it heretofore in

the acquirement of wealth, but this has been due to conditions no longer existing; and now for the first time the whole resources of the South are to assert themselves, freed from any hindering influences.

Experience has taught that the highest progress can only be made when the individual strength of every citizen is developed to its greatest capacity. The producers of wealth are the masses of the people controlled by wise, judicious direction. Any system which takes from the laboring people hope and aspiration lessens proportionately the creative power of the section where they dwell.

The institution of slavery divided the South into three classes; the wealthy slave-owner, cultivated, generous, and brave, but, as a rule, with an income ample for his wants, devoting his time rather to the ornamental than to the practical; the poor whites, competing with slave labor, and with scarcely any opportunity to improve their condition; the slaves themselves, compelled to give to work every hour suited to labor, with no inducement to devise means for increasing results from the application of their energies. What mattered it with them? Increased results would not lessen the hours of their labor or benefit them. They labored for what they ate and what they wore. They received that without regard to what they did. They could not increase it. They were obliged to have it. The work they accomplished was forced from them.

Had it not been for the institution of slavery, checking white immigration and hindering development, the South, with natural resources in its favor in 1860, would have been the greatest manufacturing and mining, as well as agricultural, section of the Union.

In spite of this drawback it is surprising to see what had been accomplished in this section by 1860. At that time the value of the farms of the whole country was \$6,000,638,000, of which the farms of the South were valued at \$2,300,000,000, they having increased from 1850 to 1860 \$1,300,000,000. The agricultural product of the South did not consist of cotton alone, but was of infinite variety. The following table gives a few items from the Census of 1860:

Yield.	In South.	In remainder of the country.
Corn	358,153,000 bushels	472,297,000 bushels
Wheat	44,800,000 "	125,200,000 "
Value animals slaughtered	\$84,447,000	\$128,424,000

The total assessed value of property in the United States in 1860 was \$12,000,000,000. Of this the South had \$5,200,000,000, nearly one-half. At this time also thirty per cent. of the entire banking capital of the country was in the South.

For four years the armies fought upon Southern soil. The struggle was desperate and the destruction of personal property almost complete. At the close of the war the South had lost many of her best men. Her labor, owing to the change from slavery to freedom, was entirely demoralized. It had been accustomed to idleness except where work was required by the order of the owner. Freed from enforced labor, the first impulse of the negroes was to follow no occupation, but to enjoy the privilege of entire leisure.

Another grievous burden fell upon this section. The negro became at once the tool of designing men who moved South, not for the purpose of finding homes, but to use the freedman as a political tool in obtaining possession of the offices, and to consume by unjust taxation and by official thievery the little which the war had left.

To control the negroes it was necessary to claim their allegiance by reason of the great service rendered in setting them free. It was necessary to fill their minds with distrust and hatred of their former owners, to play upon their prejudices, and to blind them to their best interests. For a number of years this condition existed. The negroes were restless of control and impatient at the thought of labor. Even those who were unable to read aspired to political leadership. But in time some of the men who came South for political control turned their attention to business, and developed into good citizens. The negroes, also, began to realize that they were simply being used as tools, and distrusted their white political leaders.

The negro race had lived for several generations in slavery. During that time great confidence, as a rule, existed between the negro and his master. Many instances could be given of the strong affection felt by the one for the other. It is no reflection upon the race that the circumstances under which they were freed produced a temporary feeling of hostility on the part of the negro towards his former master, but as the hold of the carpet-bagger began to lessen, friction rapidly ceased between the white man and the colored man in the South.

Good government had been restored in nearly every portion of the South by 1880, and for the first time the section could be fairly said to have adjusted itself to the new condition of affairs, and to be in a position for the first time to use its resources to the best practical effect.

To appreciate the terrible loss that the South had endured during these twenty years, it is necessary to remember that the total wealth of the section had depreciated, from 1860 to 1880, by \$2,400,000,000, the depreciation having continued during practically the entire time, \$300,000,000 of the amount being properly chargeable to the period from 1870 to 1880.

The broad acres of land, however, remained. The mineral resources were still to be developed, and the groundwork from which wealth could be created had been but little injured.

The progress of the South from that time forward may be considered the beginning not of growth by the South, but of growth by the South with free labor, and under the changed conditions which the war produced. The capacity of the white people for endurance, their fortitude and nerve power, had been shown in a manner beyond question. Content to leave the past a memory of pain and pride, again permitted to live free, with hope renewed by honest local government, they regained influence with the colored race, and both sought to develop the section which both recognized as a permanent home. The negroes consider as ridiculous all suggestions for their removal, and, with few exceptions, the whites realize the benefit to the section from the work of this kind and hardy race.

But what has been accomplished since 1880? Referring to all those States classified as Southern in the figures before presented, the Census Reports of 1890 show an increase in assessed value during the preceding ten years of \$1,815,000,000, while the increase in true value was \$3,893,000,000. In ten years the value of the products of the South increased from \$1,200,000,000 to \$2,000,000,000.

Omitting, however, some of those States commonly termed Southern, and confining the inquiry to those to which the conditions under consideration most fully applied, the favorable indications from 1880 to 1890 are even proportionately greater.

The following table from data now in the Census Bureau gives for the States named the percentages of increase in true

valuation of real and personal property, expenditures for public schools, value of manufactured product, value of farm lands and improvements, and value of farm products.

INCREASE PER CENT., 1880-1890.

	True valuation of real and personal property.	Expenditures of public schools.	Value of manufactured products.	Value of farm lands and improvements.	Value of farm products.
Virginia.....	21.97	77.26	70.65	17.80	7.61
West Virginia....	25.42	78.23	69.25	14.07	5.57
North Carolina....	26.71	87.18	100.93	35.48	3.21
South Carolina....	24.51	25.32	90.74	44.30	24.89
Georgia.....	40.66	48.07	89.12	35.83	24.38
Florida.....	224.57	301.76	228.55	258.49	62.46
Kentucky.....	29.96	74.26	67.88	15.72	3.29
Tennessee.....	25.95	65.42	95.16	17.39	A. 11.09
Alabama.....	45.51	27.38	277.62	40.65	16.47
Mississippi.....	23.32	61.58	148.80	37.24	15.13
Louisiana.....	29.66	54.60	138.82	44.74	26.72
Texas.....	155.22	305.39	239.93	134.63	71.31
Arkansas.....	59.14	166.33	235.39	59.70	21.31
Aver. percentage	50.76	96.53	108.50	40.68	17.23

(A) Decrease.

The study of these figures indicates the general growth and healthy development not of an old, but of a new country. The development of the South prior to 1860 had been swept away by war, and by the subsequent conditions heretofore described. Its resources were in 1880, and still are, scarcely touched, while those of the Eastern and Middle States are comparatively in use.

The following table, also from the Census Bureau, shows for the states named in it, percentages similar to those considered in connection with the Southern States.

INCREASE PER CENT., 1880-1890.

	True valuation of real and personal property.	Expenditures of public schools.	Value of manufactured products.	Value of farm lands and improvements.	Value of farm products.
Maine.....	A. 4.28	12.47	19.87	A. 3.70	.47
New Hampshire..	A. 10.43	43.35	15.94	A. 12.75	2.13
Vermont.....	A. 12.06	52.40	22.28	A. 26.45	A. 7.78
Massachusetts...	6.89	75.52	40.72	A. 12.76	16.19
Rhode Island....	26.04	73.15	36.80	A. 15.49	14.94
Connecticut.....	7.20	59.06	33.73	A. 21.53	A. .48
New York.....	35.97	75.03	58.38	A. 8.34	A. 9.23
New Jersey.....	10.75	69.49	38.84	A. 16.57	A. 2.20
Pennsylvania....	25.27	75.57	78.77	A. 5.48	A. 6.50
Ohio.....	22.03	39.54	84.24	A. 6.87	A. 15.02
Indiana.....	24.64	30.99	53.25	18.82	A. 17.39
Illinois.....	57.84	49.78	119.02	25.09	A. 9.42
Aver. percentage	26.83	5.87	62.85	A. 10.06	A. 9.30

(A) Decrease.

Perhaps one of the most noticeable indications of progress is the fact that in ten years the public schools of the South increased expenditures 96.53 per cent. All the people of a section must be free and all educated to insure progress. The South is determined that illiteracy in its section shall cease, that every child shall receive a fair education. The percentages taken to-day would be even more striking, but the exact figures cannot be obtained. The one State of Georgia has in the last three years increased her appropriation for public schools more than 100 per cent.

The Southern States show a percentage of increase, during the time considered, in true value of real and personal property, and in value of manufactured product, nearly twice as great as that of the Eastern and Middle States named.

The Eastern and Middle States show percentages of loss in value of farm lands and improvements amounting to 10.06 per cent., and of farm products amounting to 9.30 per cent., while the Southern States increased in value of farm lands and improvements 40.68 per cent., and in farm products 17.23 per cent.

The total acreage in the Southern States named is 500,000,000, the amount in cultivation is 100,000,000. Three-fourths of the uncultivated land is suited for farm purposes. The gross product from agriculture in the South for 1890 was 24.1 per cent. on the value of investment. In the other States of the Union it was 13.1 per cent. What an opportunity this section offers to home-seekers! They will find land cheap, and the people ready to receive them with hospitality. Political affiliations no longer affect social relations in the South.

The land is most varied in its uses. The lofty elevation of the Piedmont region furnishes a climate similar to New England, while the low lands of the Gulf States are suited to semi-tropical products. Between these two can be found every character of soil, and the farmer can choose the locality and raise what he pleases. Locations can be found in which wheat, corn, cotton, and fruit can be successfully cultivated in the same field. The truck farms furnish great results, and from Norfolk alone is shipped annually over \$6,000,000 worth of vegetables and fruits. While the South produces over 60 per cent. of the world's cotton, its grain crops are now nearly equal to its cotton crops.

It was claimed that, in 1865, the cotton industry must go

with slavery, yet the cotton crop of 1892 was about twice that of 1860.

The Philadelphia *Times* has said:

“The fact that the Southern States have made such a remarkably good showing since the financial pressure commenced has begun to attract the attention of investors from the North and West. A good deal of capital has already been placed by shrewd operators like Gould, Vanderbilt, Corbin, and others in Alabama, Texas, Virginia, North Carolina, and other Southern States, and many colonies of intelligent wage-earners have been planted in localities where it is believed beneficent emolument will follow.”

The standing timber of the South is equal in value to that of the balance of the Union, and the annual output of the saw and planing mills grew in the period from 1880 to 1892 from \$38,000,000 to \$117,000,000.

The iron ore is without limit, and a statement of the comparative cost in the Southern district and the Northern district, prepared by Hon. Carroll D. Wright in 1891, shows an advantage of \$3 per ton in favor of the South. The increase in the production of iron by this section since 1830 has been 500 per cent.

The coalfields of the Southern States cover over 60,000 miles, which, as Mr. George W. Armstead states in *The Tradesman*, is seven times as much as in Great Britain, and more than in Russia, Great Britain, Germany, France, and Belgium combined. The coke is excellently adapted to use in manufactures. Since 1880 the production of coal has increased from 3,000,000 of bushels to 25,000,000 bushels.

But the manufacture of cotton in the South offers the most inviting field for industrial growth. The South produces over 60 per cent. of the cotton of the world. Only about one third of our cotton is manufactured in the United States. The balance goes to Europe, where its value is increased threefold, creating thereby \$600,000,000 each year which properly belongs to this country.

Every advantage is offered for the manufacture where the cotton grows. The climate permits uninterrupted operation for factories, every month of the year. The raw material is at hand with cheap coal for steam, or ample water power to be obtained at reasonable prices. Labor can live with less expense than in New or old England. While no discontent exists among the laboring classes in the South, still a large portion of the service required in cotton factories can be there obtained at a low figure. If England is to

continue our chief competitor in the manufacture of cotton goods, surely much negro labor can be found in the South to compete with English white labor in the cotton mills.

Perhaps the negro is intended as the laborer to manufacture cotton as well as to hoe it. There are reasons to believe that eventually the yellow race of the East will prove a formidable competitor in this line of business. If so, it may be necessary to overcome them by the use of the black labor in the South. It is certainly true that all indications point to the manufacture in the South of the cotton there grown. It would change the value of the crop annually from \$300,000,000 to about \$1,000,000,000.

The manufacture of cotton has increased in the South since 1880 from 342,048 to 2,171,147 spindles, and the value of the annual product from \$16,350,000 to \$54,200,000.

The remarkable experience of the Southern mills during 1893, scarcely any of them quitting work, and nearly all of them paying good dividends, furnishes conclusive evidence that the South is the best locality for the business.

Mr. Richard H. Edmunds in the *Manufacturers' Record* has well said:

“The lumber business has enriched a large part of the Northwest; cotton manufacturing has added hundreds of millions to the wealth of New England; coal and iron is the basis of most of Pennsylvania's enormous industrial activity. The South combines these four—lumber, cotton, iron, and coal. They can be utilized at a lower cost than in any other section, and they will add to the South the fourfold wealth that they have created elsewhere.”

Judge Kelley may not have been right when he said, “The South is the coming El Dorado of American adventure,” but he dealt with simple truth when saying, “It is a country upon which the Almighty has with most lavish hand bestowed his richest material gifts.”

HOKE SMITH.